

New Starts Bi-Weekly Briefing – May 20, 2009

Notes: Bring scorecard to each meeting.

TRO-2, TRO-3, TRO-6, TRO-8, TRO-9, and TRO-10 participated via teleconference.

Pittsburgh, North Shore

- Based on a May 15th meeting, the Port Authority reported that the total project cost has risen to \$538.0 million and a cost overrun of \$103.8 million has been estimated. With ARRA (American Recovery and Reinvestment Act) funds, an overrun of \$42.0 million is estimated.
- Yesterday, TRO-3 talked with the state to determine how it will cover the \$42.0 million shortfall.
- To confirm state funding, TRO-3 will look for a letter from the governor or something that documents the funding source.
- All bids have been received and the Port Authority is evaluating them.
- The \$61.0 million ARRA funds need to be obligated by September.
- The project will need a full 60-day Department of Labor (DOL) review.
- NEXT STEPS/ACTION ITEMS:
 - Staff will discuss the status with TOA this afternoon.
 - The Port Authority will try to meet with the state this week or as soon as possible.

Northern New Jersey, Access to the Region's Core (ARC)

- TRO-2 met with New Jersey Transit (NJT) on May 18th. NJT is concerned that no more New Starts funding is proposed above the \$200.0 million recommended in the President's FY 2010 budget.
- For the Early Systems Work Agreement (ESWA), the region is requiring the grantee to identify the scope of work for awarding the Manhattan Tunnel job.
- Maybe pre-work could be allowed for the Palisades Tunnel and the Cavern.
- The project has CMAQ (Congestion Mitigation and Air Quality) and ARRA funding. The latter is for final design (FD) and construction.
- NJT had a call with Senator Lautenberg on May 19th.
- The project will need a DOL review and STIP (State Transportation Improvement Program) amendment.
- The motivation for pushing this project seems to be, "There is a huge federal commitment."
- The project is not ready for a FFGA (Full Funding Grant Agreement).
- NEXT STEP/ACTION ITEM:
 - Staff will discuss this project with TOA this afternoon.

St. Paul-Minneapolis, Central Corridor LRT

- On May 6th, FTA informed the grantee that completion of the final environmental impact statement (FEIS) by May 15th was unlikely to occur.
- A Section 4(f) concurrence letter is needed.
- The Department of Interior wants to conduct a 60-day review after completion of the FEIS.
- The State Historic Preservation Office and the Advisory Council on Historic Preservation need to sign the programmatic agreement.

- The FEIS will probably be completed in early to mid-June. The Metropolitan Council would like a record of decision (ROD) by mid-July, but late July is more likely.
- On May 18th, FTA received a LONP (Letter of No Prejudice) request for utility relocation for \$20.0 million. The Metropolitan Council would like FTA to approve the LONP when the ROD is released.
- FTA might consider LONP approval after completion of the ROD and before FD approval.
- The grantee needs to break ground by mid- to late August; the construction season ends in late October.
- NEXT STEPS/ACTION ITEMS:
 - Staff will discuss the timing of a potential LONP approval with TOA this afternoon.
 - The scope, schedule, and cost review will begin the first week of June and take about 30 days to complete.
 - Advertisement of a utility relocation contract will go to the Board this week.

Houston, North and Southeast Corridors

- FTA received an updated financial plan on May 12th and a full New Starts submission on May 15th.
- The FMOC will be in Houston May 27th through 29th and the draft FCA (financial capacity assessment) will be completed in mid-June.
- Only a one percent contingency is being shown for the North Corridor and the Southeast Corridor also has a very low contingency. For FD, FTA usually wants to see 20 percent contingency.
- The draft risk assessment report was sent to Metro on May 18th.
- The 10-day notice for FD could be sent to Congress by June 30th. This presumes that the current cost estimates are okay.
- NEXT STEPS/ACTION ITEMS:
 - FTA and Metro will hold a call tomorrow.
 - This afternoon, staff will inform TOA about the FD requests.

Denver, East Corridor and Gold Line

- TPE distributed a summary.
- The Regional Transportation District (RTD) would like an ESWA later this year to send a signal to potential bidders of FTA's commitment to the projects.
- Release of the final request for proposals is expected this month.
- RODs for the projects are expected in August.
- No commitment authority exists for an ESWA.
- Also, the projects are not listed as "Other Projects" in the Annual Report. OMB would have to clear them.
- By statute, an ESWA is based on a belief that an FFGA will likely be executed.
- In addition to the above points, FTA does not know the final scope or cost of each project or the private equity contribution planned for them.
- FTA does not implement zero-dollar ESWAs so the projects would need appropriations for ESWAs.
- FTA might be able to give an off-cycle budget commitment if we can present a case to the Administration.

- Should RTD pursue a Letter of Intent? This, too, uses some commitment authority. Unlike an ESWA, a 60-day notice needs to be sent to Congress.
- NEXT STEP/ACTION ITEM:
 - Ask TOA if FTA will be willing to execute an ESWA if final proposals have not been received?

Tucson, Streetcar

- Tucson submitted a FD request in February and a PMOC was assigned.
- They wanted FD approval in June but that schedule has slipped.
- The grantee also requested a LONP for vehicles and hoped the approval would coincide with FD approval.
- PMOC expects to complete a draft report in early June and the final report in late June.
- The project budget has increased from \$150.0 million to \$167.0 million. FTA also wants to look at technical capacity.
- The February financial plan needs to be updated.
- Without a Notice to Proceed, Tucson would like to announce that Oregon Iron Works will be selected to manufacture its streetcars.
- NEXT STEPS/ACTION ITEMS:
 - This afternoon, staff will discuss the project status with TOA.
 - TRO-09 will talk with Tucson today.

Honolulu

- Two weeks ago, FTA received a preliminary engineering (PE) request. Some support documents have been received and others are expected.
- The city estimates the capital cost of the project at \$5.3 billion, which includes \$1.5 billion in New Starts funds.
- FTA has some concerns about components of the cost estimate. An additional \$500.0 million might need to be added to the total project cost estimate.
- The PMOC is reviewing the revised alignment and expects to submit a draft report in late June.
- NEXT STEPS/ACTION ITEMS:
 - Staff will discuss the project with TOA today.
 - FTA will talk with the grantee this afternoon about a roadmap.

Portland, Streetcar Loop

- NEXT STEP/ACTION ITEM:
 - Staff will discuss the status with TOA this afternoon.